

COPY

Premiere Network Services, Inc. (Premiere) Testimony/Cross Questions

Please provide the name, address, telephone, and fax number of the person at your company that will be responsible for working with the Commission's Consumer Services Division for complaint resolution?

Ms. Jacquetta L. Peace, Director-Legal and Regulatory will be the contact person responsible for working with the Commission's Consumer Services division for complaint resolution. Ms. Peace's contact information is:

Jacquetta L. Peace
Director-Legal and Regulatory
Premiere Network Services, Inc.
1510 North Hampton Road, Suite 120
DeSoto, Texas 75115
972-228-6810
972-228-8889 facsimile

Is your company seeking any waivers or variances of certain Commission rules and regulations in this proceeding that pertain to local exchange service? Please provide evidence as to why your company is seeking any waiver or variance.

As discussed in the Premiere application, Docket 00-0484, we are not seeking waiver of Commission rules that pertain to local exchange service. However, we would like to clarify that Premiere currently maintains its accounts using an in-house accounting system in other states it operates in and in states it intends to operate in the future. Premiere believes it will be burdened unnecessarily if required to maintain USOA in Illinois alone. Premiere would like to request waiver of 83 Illinois Administrative Code Part 710 USOA.

Will your company comply with 83 Illinois Administrative Code Part 772, Pay-Per-Call Services, including Part 772.55(a)(1), Billing and Part 772.100(d) Notices?

Yes. Premiere will comply with 83 Illinois Administrative Code Part 772, Pay-Per-Call Services to the extent it provides Pay-Per-Call Services. Premiere has no plans to provide Pay-Per-Call Services.

Will your company comply with 83 Illinois Administrative Code Part 705, Preservation of Records of Telephone Utilities?

Yes. Premiere will comply with 83 Illinois Administrative Code Part 705.

OFFICIAL FILE

I.C.C. DOCKET NO. 000484
Applicant Premiere Network Services, Inc. Exhibit No. 1
Witness Jacquetta L. Peace
Date 2/14/06 Reporter _____

Premiere Network Services, Inc. (Premiere) Testimony/Cross Questions

Will your company abide by 83 Illinois Administrative Code Part 735, "Procedures Governing the Establishment of Credit, Billing, Deposits, Termination of Service and Issuance of Telephone Directories for Telephone Utilities in the State of Illinois"?

Yes, Premiere will comply with 83 Illinois Administrative Code Part 735 however Premiere would like to clarify it does not intend to issue its own telephone directory but to provide the means for placement of listings in the Incumbent directory at no additional charge.

Who will provide customer repair service for your company?

Premiere will employ a local team of installation and repair personnel on an as needed basis as well as utilize the appropriate repair staff available from the incumbent LEC(s).

How many people does the company employ?

Premiere employs approximately twenty persons in the DeSoto, Texas headquarters, including installation and repair personnel, sales and customer service representatives. Premiere plans to expand that number to thirty by the end of the year 2000. Corporate job functions include financial, administrative, technical and customer service.

Will your company meet the requirements as they pertain to the Telephone Assistance Programs imposed by Sections 13.301 and 13.301.1 of the Illinois Public Utilities Act and 83 Illinois Administrative Code Part 757?

Yes. Premiere will meet the requirements pertaining to Telephone Assistance Programs imposed by Sections 13.301 and 13.301.1 of Part 757.

Will your company solicit, collect, and remit the voluntary contributions from its telephone subscribers to support the Telephone Assistance Programs?

Yes. Premiere will solicit, collect or remit voluntary contributions to support the Telephone Assistance Program.

Does your company plan on filing to become an Eligible Telecommunications Carrier?

Yes. Premiere does plan on filing to become an Eligible Telecommunications Carrier.

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Does the company realize that it will not be able to receive any of the federal reimbursements for the Lifeline and Link Up Programs if it is not an eligible carrier?

Yes. Premiere does realize it will not be able to receive any federal reimbursements for Lifeline and Link Up Programs if it is not an Eligible Telecommunications Carrier.

Will your company offer all of the waivers associated with the Universal Telephone Service Assistance Programs (UTSAP)?

Yes. Premiere will offer all of the waivers associated with the UTSAP.

Will your company abide by the regulations as prescribed in 83 Illinois Administrative Code Part 755, "Telecommunications Access for Persons with Disabilities," 83 Illinois Administrative Code Part 756 "Telecommunications Relay Service," and Sections 13-703 of the Illinois Public Utilities Act?

Yes. Premiere will abide by the regulations as prescribed in 83 Illinois Administrative Code Part 755, 83 Illinois Administrative Code Part 756 and Sections 13-703 of the Illinois Public Utilities Act.

Will the company's billing system be able to distinguish between resale and facilities based service for the collection of the ITAC line charge?

Yes. Premiere's billing system will be able to distinguish between resale and facilities based service for the collection of the ITAC line charge.

Has your company signed and return the Universal Telephone Assistance Corporation ("UTAC") and the Illinois Telecommunications Access Corporation ("ITAC") to Commission staff?

No. Premiere has not returned the UTAC or ITAC forms to Commission staff.

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Please describe your company's internal process for complaint resolution, the escalation process within your company, and when a customer is notified that they may contact the Illinois Commerce Commission for assistance.

Premiere will utilize a complaint resolution process that will allow the customer flexibility and the ability to contact the subject matter expert most able to resolve their complaint. The Premiere account executive will be the customer's first point of contact backed up by a customer service representative. As an example, complaint matters relating to service provision will be addressed with the account executive and complaint matters relating to billing will be addressed with the customer service representatives. Complaint matters not satisfactorily addressed by the account executives will be escalated to the Chief Operating Officer. Complaint matters not satisfactorily addressed by the customer service group will be escalated first to the customer service manager and then to the Chief Operating Officer. Customer rights including notification that they may contact the ICC for assistance with complaint resolution can be found in the Tariff.

Will the company file tariffs for all services and charges associated with providing local telephone service, including specific programs. e.g., 9-1-1, UTAC, and ITAC?

Yes. Premiere will file its Tariff to reflect voice related service descriptions and charges including specific programs like 911, UTAC and ITAC.

How does your company plan to solicit customers once it begins to provide local service.

Due to the nature of its current business Premiere relies on client referrals for much of its business. As Premiere enters the business of providing local telephone service Premiere will employ and rely on a highly trained sales staff to solicit its customers in addition to client referrals.

Will your company abide by federal and state slamming laws?

Yes. Premiere will abide by both federal and state slamming laws as they pertain to local as well as toll service provision.

Has your company written guidelines to prevent the unauthorized slamming of local exchange customers?

Premiere will utilize the slamming guidelines mandated by the FCC in their most recent slamming Order. Premiere is currently in the process of summarizing the FCC guidelines and including them in a handbook to be used by all Premiere personnel to ensure unauthorized slamming of local exchange customers does not take place.

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Has your company provided service under any other name?

No. Premiere is not providing service under any other name in Illinois or any other state.

Have any complaints or judgements been levied against the company? (Instate, out-of-state, or FCC).

No. There have been no complaints or judgments levied against Premiere in Illinois, in any other state or by the FCC.

911 Service Questions

Please provide the name, address, telephone and fax number of the 911 contact person for your company.

Ms. Jacquetta L. Peace, Director-Legal and Regulatory will be the 911 contact person responsible for the company. Ms. Peace's contact information is:

Jacquetta L. Peace
Director-Legal and Regulatory
Premiere Network Services, Inc.
1510 North Hampton Road, Suite 120
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972-228-6810
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Will your company ensure that 911 traffic is handled in accordance with the 83 Illinois Administrative Code Part 725 and the Emergency Telephone System Act?

Yes. Premiere will ensure that 911 traffic is handled in accordance with the 83 Illinois Administrative Code Part 725 and the Emergency Telephone System Act.

Will your company contact and establish a working relationship with the 911 systems when you begin to provide local telephone service?

Yes. Premiere will contact and establish a relationship with both NENA and the appropriate local PSAP's providing emergency coverage for the Premiere serving area.

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Will your company coordinate with the incumbent LEC(s) and local 911 systems to provide transparent service for your local exchange customers?

Yes. Premiere will coordinate with the incumbent LEC(s) and local 911 PSAP's to provide transparent service for all local exchange customers utilizing our voice services.

Who will be responsible for building and maintaining the 911 database for your local exchange customers?

At the time Premiere begins implementation of voice services an internal 911 administrator will be designated who will be responsible for building and maintaining relationships with NENA, the incumbent LEC(s) 911 administrators and the local PSAP's and for building and maintaining the Premiere local exchange customer 911 database. In accordance with the interconnection agreements Premiere is currently negotiating it will receive the Master Street Address Guide (MSAG) from the incumbent LEC and will maintain this database with the appropriate customer account information utilizing an internally staffed position. Premiere anticipates at the time its voice service customer base has grown it may utilize an outside vendor to administer the 911 database.

How often will your company update the 911 database with customer information?

At the time Premiere implements voice services the 911 database will be updated with customer information on a daily basis.

Will your company's billing system have the ability to distinguish between facilities based and resale for the collection of the 911 surcharge?

At the time Premiere implements voice services the Premiere billing system will have the ability to distinguish between facilities based and resale customers for the appropriate collection of the 911 surcharge.

Does your company have procedures for the transitioning of the 911 surcharge collection and disbursement to the local 911 system?

As part of the implementation process used to introduce voice services all appropriate accounting procedures will be instituted that will allow for the transitioning of the 911 surcharge collection and disbursement to the local 911 system.

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Will your company's proposal require any network changes to any of the 911 systems?

At the time Premiere implements voice services on a facilities basis there will be no impact to any of the 911 systems.

Will your company be able to meet the requirements specified under Part 725.500(o) and 725.620(b) for the installation of call boxes?

At the time Premiere implements voice services it will be able to meet the requirements specified under Part 725.500(o) and 725.620(b) for the installation of call boxes.

Does your company plan to file for a waiver of Part 725.500(o) and 725.620(b) in the future?

Yes. Premiere may plan to file a waiver of Part 725.500(o) and 725.620(b).

Financial Questions

(Answer if requesting waiver of Part 710) What circumstances warrant a departure from the prescribed Uniform System of Accounts ("USOA")?

In its application, Case No. 00-0484 , Premiere failed to request a waiver of 83 Illinois Administrative Code Part 710, Uniform System of Accounts for Telecommunications Carriers. However, currently Premiere maintains its accounts in several states using an in-house accounting system. If Premiere would be required to maintain its accounts in a different manner in Illinois, the administrative burden would be substantial.

Will records be maintained in accordance with Generally Accepted Accounting Principles ("GAAP")?

No. Records will be maintained in accordance with an in-house accounting system.

Will applicants accounting system provide an equivalent portrayal of operating results and financial condition as the USOA?

Yes. Premiere's accounting system will be capable of an equivalent portrayal of operating results and financial condition as the USOA.

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Will applicants accounting procedures maintain or improve uniformity in substantive results as among similar telecommunications companies?

Yes. Premiere's accounting procedures will maintain uniformity in substantive results as among similar telecommunications companies.

Will applicant maintain its records in sufficient detail to facilitate the calculation of all applicable taxes?

Yes. Premiere will maintain its records in sufficient detail so as to facilitate the calculation of all applicable taxes.

Does the accounting system currently in use by applicant provide sufficiently detailed data for the preparation of Illinois Gross Receipts Tax returns? What specific accounts or sub-accounts provide this data?

The accounting system currently in use will be modified to provide this detail. The specific accounts providing this data can be provided at that time.

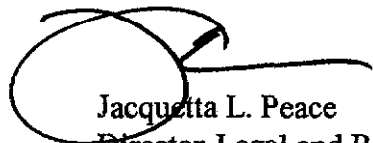
If a waiver of Part 710 is granted, will applicant provide annual audited statements or all periods subsequent to granting of the waiver?

Yes. Premiere will provide annual audited statements for periods subsequent to the granting of a waiver of Part 710.

Does applicant agree that the requested waiver of Part 710 will not excuse it from compliance with future Commission rules or amendments to Part 710 otherwise applicable to the Company?

Yes. Premiere agrees.

This concludes my pre-filed testimony.

A handwritten signature in black ink, appearing to read "Jacquetta L. Peace", is written over a circular stamp or seal.

Jacquetta L. Peace
Director-Legal and Regulatory
Premiere Network Services, Inc.

Management Staff Biographies

Leo A. Wrobel Premiere's founder and CEO since 1986 is a noted author and technical futurist, responsible for many technology firsts. These include the first private microwave shot in Dallas for a financial services company, the first T1 traffic to be carried on a cable TV system in Dallas, and the largest SONET/ATM network ever installed in Texas. Leo was also the first in the USA to co-locate a computer disaster recovery center in a telephone office, a practice that has since gained widespread acceptance. He has lectured throughout the USA and overseas, and has appeared on several television news programs. He has authored ten books and over 400 trade articles. His consulting and seminar clients include companies such as:

American Airlines Sabre Group, Affiliated Computer Services (ACS), Ameritech, American Cyanamid, AT&T, AT&T Bell Labs, Bank of California, Bell South, Bemis Co., Carlson Companies, Con Edison, City of Dallas, City of Tulsa, Dana Corp., Dept of Defense, EDS, Ericsson, Exxon, Fed Energy Reg Comm, GTE, Fed Bureau Labor Stats, Lomas and Nettleton, MCI, Moore Business Forms, Northrup, Occidental, Pacific Gas & Elect, Pacific Health Care, Reliance Electric, Southern Bell, Southwestern Bell, State of Hawaii, Tel Aviv Stock Exchange, Tellabs, Texas Employment Commission, Texas Department of Public Safety, Texas Department of Rehabilitation, Texas Instruments, United Health, USAA, US Army, US Military Academy, Weyerhaeuser, and more.

Eddie M. Pope has over twenty years experience in telephone regulation in various capacities. He was the principle advisor to Chairman Robert W. Gee at the Texas Public Utility Commission. In that role, he helped formulate the rules and regulations governing telephone companies in Texas. Mr. Pope also has previous employment experience with the Oklahoma Corporation Commission, and Oklahoma Legislature. *Education: Bachelors degree, History, Oklahoma City University, (1972) J.D. in law from Oklahoma University (1975).*

Harold J. Erbs is co-founder and former CEO of Qwest. An accountant by trade, Harold Erbs has proven to be a savvy financial complement to Wrobel, and battle-tested chairman to Premiere. *Education: BS/Accounting, St. Louis University (1954) and an MBA from the University of Texas (1983).*

H. Bryan Bonham has 18+ years experience in long distance and operator service companies. Bryan has extensive regulatory experience and serves as President and CEO of Washington DC-based CommDev/CDM. *Bachelor of Science degree in Social and Business Sciences, University of Virginia. (1985)*

Archie M. Croom has 25+ years' experience in data communications in network analysis, engineering, modeling, and design. *Education: B.S.- Electrical Engineering from the University of Texas (1970).*

William H. Maybaum has 25+ years in the industry, including executive positions at Fidelity Investments and The DMW Group. His career experience includes electronic manufacturing, service bureau operations, and consulting and financial services. Bill led Fidelity's communications organization with a staff of 200, and was responsible for development of services focused on global call center solutions and automated voice services. *Education: Bachelors in Applied Mathematics and Systems Analysis, Michigan State (1970)*

Gen. Donald R. Walker, USAF, ret, is former President of USAA Information Technology Company (ITCO) where he oversaw the world's largest call center operation. In the Air Force, Don wore two hats in a 2200 person contracting agency responsible for launch and operation of numerous national reconnaissance space systems with \$22 billion in active contracts. He was also responsible for a \$3.5 billion annual budget as Director, Acquisitions and Operations. General Walker led the Advance Development Team charged with developing the post Cold War architecture and acquisition planning for our nation's space-based reconnaissance systems. *Education: Whorton Business School, Advanced Executive Education Program (1999), Professional Project Manager Certification, Project Management Institute (1998), Program Manager Executive, Defense Systems Management College (1987), Distinguished Graduate, Air War College, (1985), MBA, Auburn University (1980), MS Mechanical Engineering, University of Southern California (1971), B.S. Engineering Science, U.S.A.F. Academy, (1966)*

Gerald R. Mayfield has 30+ years in the industry, including an executive position as president of the world renowned DMW Group. His experience includes investing, managing, developing businesses, marketing and consulting. He also served as a Venture Partner with Accel Partners where he advised and developed venture funded companies. Mr. Mayfield has served on the Board of Directors of several companies including an independent telephone company, a software company, an equipment manufacturer and a telecom facilities management firm. *Education: BS / MS degrees, Electrical Engineering, Oklahoma State University.*

T. Scott Atkinson has 25+ years experience including management positions at a large oil company, major hospital and several diversified financial services companies. Mr. Atkinson is president of San Antonio-based InfoComm Services. *Education: B.Sc. Physics, Texas A&M (1961), MBA, Pepperdine Univ. (1979) Post graduate, Univ. Texas, San Antonio (1987-88) and at St. Mary's University (1989).*